

ESTTA Tracking number: **ESTTA186802**

Filing date: **01/15/2008**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91177858
Party	Defendant Nordstrom, Inc.
Correspondence Address	WILLIAM O. FERRON, JR. SEED IP LAW GROUP PLLC 701 5TH AVE STE 5400 SEATTLE, WA 98104-7064 UNITED STATES BillF.docketing@SeedIP.com
Submission	Motion to Amend/Amended Answer or Counterclaim
Filer's Name	William O. Ferron, Jr.
Filer's e-mail	BillF.docketing@SeedIP.com, litcal@SeedIP.com
Signature	/William O. Ferron, Jr./
Date	01/15/2008
Attachments	MotToAmendAnswerAddCounterclaim.pdf (15 pages)(378913 bytes)

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

ZANELLA LTD.,)	
)	Opposition No. 91177858
)	
Opposer,)	Serial No. 77025247
)	
v.)	
)	
NORDSTROM, INC.,)	
)	
Applicant.)	Attorney Docket No. 700043.80073
_____)	

**APPLICANT'S MOTION TO AMEND ITS
ANSWER TO ADD COUNTERCLAIM**

Applicant Nordstrom, Inc. ("Nordstrom") hereby moves for leave to amend its Answer to Opposer's Notice of Opposition to add a counterclaim for cancellation of Opposer's cited registrations. This motion is based on the pleadings filed in this action and on the supporting Declaration of Nathaniel E. Durrance ("Durrance Declaration") submitted herewith. A proposed Amended Answer and Counterclaim and a Motion for Summary Judgment are submitted herewith.

Nordstrom's counterclaim for cancellation is based on facts learned and admissions made by Opposer during initial discovery and investigation in this proceeding. In particular, Nordstrom has learned that Opposer has not used Opposer's marks on many of the goods claimed

in the registrations it relies on in its Notice of Opposition. These facts and admissions were not known to Nordstrom when it filed its Answer and so Nordstrom could not bring these counterclaims at that time.

Nordstrom first became aware of some of these facts on or about November 21, 2007, upon receipt of Opposer's responses to Applicant's First Set of Requests for Admissions, and December 28, 2007, when Nordstrom received the final file histories it ordered for Opposer's cited trademark registrations. Discovery is ongoing and the current close of discovery is May 1, 2008, so no prejudice will result from allowing Applicant to amend its answer to add the cancellation counterclaim.

FACTS

In this proceeding, Opposer has opposed registration of Applicant's mark ZELLA in class 25 on the ground that ZELLA is confusingly similar to Opposer's ZANELLA registrations and marks. Opposer relies on a number of registrations for the mark ZANELLA and variants thereof, including Registration Nos. 1519894, 1527003, 1990695, 1992385 and 2453062 (the "Zanella Registrations"). All of the Zanella Registrations were filed and registered under Section 1(a) based on actual use in commerce.

On September 26, 2007, Applicant served a First Set of Requests for Admissions on Opposer. Durrance Decl., ¶ 2. These requests sought, *inter alia*, admissions that Opposer had not used the marks in its Zanella Registrations on all of the goods identified in its Section 1(a) use-based trademark applications and combined Affidavits of Use and Incontestability under Sections 8 and 15. *Id.*, ¶ 3, Exh. 1. Opposer's responses to these admission requests were received by Applicant's counsel on or about November 21, 2007. *Id.*, ¶ 2-3. In its responses, Opposer admits that the marks in the Zanella Registrations had not been and were not being used on certain goods listed in the Zanella Registrations at the time the corresponding underlying applications. *Id.*, ¶ 3, Exh. 1. Opposer also admits that the marks in a number of the Zanella

Registrations had not been and were not being used on certain goods identified in combined Affidavits of Use and Incontestability under Sections 8 and 15. *Id.*, ¶ 3, Exh. 1. Opposer further admits that the marks in the Zanella Registrations had never been used in the United States on certain goods. *Id.*, ¶ 3, Exh. 1. Opposer's responses to Applicant's First Set of Interrogatories admit that the marks in the Zanella Registrations were not used on certain goods listed in the Zanella Registrations (i) as of the filing dates of the applications for these registrations or (ii) as of the dates of filing of the declarations of use of the marks. *Id.*, ¶ 4, Exh. 2.

Upon learning of Opposer's Admissions, Nordstrom ordered partial file histories of a number of Opposer's Zanella Registrations, and received the final on December 28, 2007. Durrance Decl., ¶ 6. With these file histories and admissions by Opposer, Applicant has formed a good faith basis to seek cancellation of Opposer's Zanella Registrations.

Discovery is ongoing and still in the early stages, with the current close of discovery on May 1, 2008.

ARGUMENT

1. APPLICANT SHOULD BE GRANTED LEAVE TO AMEND ITS ANSWER TO ADD A COUNTERCLAIM FOR CANCELLATION

Fed. R. Civ. P. 15(a) provides that leave to amend pleadings shall be freely given when justice so requires. As stated by the Board in *Boral Ltd. v. FMC Corp.*, 59 USPQ2d 1701, 1702 (TTAB 2000): "[c]onsistent therewith, the Board liberally grants leave to amend pleadings at any stage of a proceeding when justice so requires, unless entry of the proposed amendment would violate settled law or be prejudicial to the rights of the parties." *See also* TBMP §507.02(a).

Opposer will not be prejudiced by the requested amendment. This proceeding is still in the pretrial stage and Applicant has not delayed in bringing the instant motion to amend. *See Commodore Electronics Ltd. v. CBM Kabushiki Kaisha*, 26 USPQ2d 1503 (TTAB 1993); *United States Olympic Committee v. O-M Bread Inc.*, 26 USPQ2d 1221 (TTAB 1993); *Focus 21 International Inc. v. Pola Kasei Kogyo Kabushiki Kaisha*, 22 USPQ2d 1316 (TTAB 1992). *See*

also TBMP §507.02. Applicant brought the instant motion within weeks of receiving the requested file histories of the Zanella Registrations and soon after receiving Opposer's responses to Applicant's admission requests.

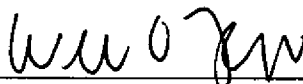
Additionally, Applicant's First Set of Requests for Admissions, which concerned, *inter alia*, whether certain goods had ever been distributed in the United States in connection with the marks in the Zanella Registrations and whether the marks were used at the time of filing each underlying application, have raised the issue of fraud and placed Opposer on notice of a possible claim for cancellation. Thus, Opposer cannot claim any prejudice from the proposed Amended Answer and Counterclaim.

Moreover, the parties are still early in the discovery period of this proceeding. The parties have entered a stipulated extension of discovery to ensure sufficient discovery on the issues presented in Applicant's proposed cancellation counterclaim. Durrance Decl., ¶ 7. To the extent that Opposer needs to take any discovery to defend against Applicant's counterclaim, Opposer will have ample opportunity to do so.

Accordingly, Applicant should be granted leave to file its proposed Amended Answer and Counterclaim.

DATED this 15th day of January, 2008.

SEED IP Law Group PLLC



William O. Ferron, Jr.
Nathaniel E. Durrance
701 Fifth Avenue, Suite 5400
Seattle, Washington 98104
Telephone (206) 622-4900
Facsimile (206) 682-6031

Attorneys for Applicant
NORDSTROM, INC.

CERTIFICATE OF SERVICE

I, Annette Baca, hereby certify that the above **APPLICANT'S AMENDED ANSWER TO NOTICE OF OPPOSITION AND COUNTERCLAIM FOR CANCELLATION** was served on Opposer's counsel by depositing same with the U.S. Postal Service, first-class postage prepaid, on January 15, 2008, addressed as follows:

Stuart E. Benson, Esq.
Michael H. Selter, Esq.
MANELLI DENISON & SELTER PLLC
2000 M Street, N.W., Suite 700
Washington, D.C. 20036



Annette Baca

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

ZANELLA LTD.,)	
)	Opposition No. 91177858
)	
Opposer,)	Serial No. 77025247
)	
v.)	
)	
NORDSTROM, INC.,)	
)	
Applicant.)	Attorney Docket No. 700043.80073
_____)	

**APPLICANT'S AMENDED ANSWER TO NOTICE OF OPPOSITION;
AND COUNTERCLAIM FOR CANCELLATION**

Applicant Nordstrom, Inc. ("Applicant"), by and through its attorneys, hereby submits its Amended Answer and Counterclaim for Cancellation in response to the Notice of Opposition filed by Zanella Ltd. ("Opposer").

Applicant hereby answers the allegations in the Notice of Opposition as follows:

1. Applicant admits that the mark ZANELLA has been used for men's and women's apparel for a number of years. Applicant lacks sufficient information to enable it to form a belief as to the truth of the remaining allegations of Paragraph 1 of the Notice of Opposition, and on that basis denies them.

2. Applicant admits that what appear to be copies of the registrations cited in Paragraph 2 of the Notice of Opposition are attached to the Notice as Exhibits A through E, respectively, and that such exhibits speak for themselves. Applicant lacks sufficient information to enable it to form a belief as to the truth of the remaining allegations of Paragraph 2 of the Notice of Opposition, and on that basis denies them.

3. Applicant lacks sufficient information to enable it to form a belief as to the truth of the allegations of Paragraph 3 of the Notice of Opposition, and on that basis denies them, except those allegations consisting of legal contentions or legal argument to which no answer is required.

4. Applicant lacks sufficient information to enable it to form a belief as to the truth of the allegations of Paragraph 4 of the Notice of Opposition, and on that basis denies them.

5. Applicant admits the allegations of Paragraph 5 of the Notice of Opposition.

6. Applicant admits the allegations of Paragraph 6 of the Notice of Opposition.

7. Applicant admits that Applicant's mark is a word mark with no limitation as to script or style, and denies the remaining allegations of Paragraph 7 of the Notice of Opposition.

8. Applicant denies the allegations of Paragraph 8 of the Notice of Opposition.

9. Applicant denies the allegations of Paragraph 9 of the Notice of Opposition.

AFFIRMATIVE DEFENSES

1. Opposer's alleged mark ZANELLA is a surname and is entitled to a narrow scope of protection.

2. Relevant consumers of Opposer's and Applicant's goods are unlikely to confuse Applicant's ZELLA mark with Opposer's ZANELLA surname.

3. Opposer's alleged ZANELLA mark is in use by third parties for other consumer goods, as reflected in U.S. Registration No. 3,155,451 for ZANELLA, which was unsuccessfully opposed by Opposer.

COUNTERCLAIM FOR CANCELLATION OF REGISTRATION
NOS. 1519894, 1527003, 1990695, 1992385 AND 2453062

Applicant counterclaims for cancellation of Opposer's U.S. Trademark Registration Nos. 1519894, 1527003, 1990695, 1992385 and 2453062 for the mark ZANELLA and variants of that mark ("the ZANELLA Registrations"). The grounds for cancellation are as follows:

Registration No. 1519894

1. The ZANELLA mark shown in Opposer's U.S. Trademark Registration No. 1519894 ("Registration No. 1519894") has been registered for "men's wearing apparel, namely raincoats, [mantles], jackets, shirts, [blouses, waistcoats,] trousers, pants, [socks, stockings, ties, scarves, hats, swimwear,] vests [and underwear]" in International Class 025.

2. Application Serial No. 73662018, which issued as Registration No. 1519894, was filed on May 21, 1987 based on actual use in commerce under Section 1(a) of the Trademark Act. Opposer submitted as part of and in connection with that application a declaration attesting to the truth of the statement that Opposer had adopted and was using the mark for "men's wearing apparel, namely raincoats, mantels [sic], jackets, shirts, blouses, waistcoats, trousers, pants, socks, stockings, ties, scarves, hats, swimwear, vests and underwear." The statements made in that declaration were material to the approval of the application and issuance of Opposer's registration.

3. Opposer had not used and was not using the ZANELLA mark shown in Registration No. 1519894 in the United States for mantles, blouses, waistcoats, socks, stockings, ties, scarves, hats, swimwear, or underwear at the time underlying Application Serial No. 73662018 was filed. Opposer knew or should have known that its statement that the mark was being used on such goods was false.

4. On or about August 31, 1995, Opposer filed a Declaration of Use and Incontestability under Sections 8 and 15 attesting that the ZANELLA mark shown in Registration No. 1519894 was being used and for five consecutive years had been

continuously used for all the goods stated in the registration. The statements made in the Section 8 and 15 declaration were material to the prosecution and maintenance of Opposer's registration.

5. Opposer was not using the ZANELLA mark shown in Registration No. 1519894 in the United States for or in connection with men's mantles, blouses, waistcoats, socks, stockings, ties, scarves, hats, swimwear, or underwear at the time Opposer submitted its Declaration of Use and Incontestability. Opposer knew or should have known that its statement that the mark was being used on such goods was false.

6. Opposer had not continuously used the ZANELLA mark shown in Registration No. 1519894 in the United States for men's mantles, blouses, waistcoats, socks, stockings, ties, scarves, hats, swimwear, or underwear for five consecutive years at the time Opposer submitted its Declaration of Use and Incontestability. Opposer knew or should have known that its statement that the mark had been continuously used for five consecutive years on such goods was false.

7. Opposer has never used the ZANELLA mark shown in Registration No. 1519894 in the United States for mantles, waistcoats, socks, stockings, ties, hats, swimwear, or underwear.

Registration No. 1527003

8. The ZANELLA & Design mark shown in Opposer's U.S. Trademark Registration No. 1527003 ("Registration No. 1527003") has been registered for "men's wearing apparel, namely raincoats, mantels, jackets, shirts, blouses, waistcoats, trousers, pants, socks, stockings, ties, scarves, hats, swimwear, vests and underwear" in International Class 25.

9. Application Serial No. 73662076, which issued as Registration No. 1527003, was filed on May 21, 1987 based on actual use in commerce under Section 1(a) of the Trademark Act. Opposer submitted as part of and in connection with that application a

declaration attesting to the truth of the statement that Opposer had adopted and was using the mark for “men’s wearing apparel, namely raincoats, mantels [sic], jackets, shirts, blouses, waistcoats, trousers, pants, socks, stockings, ties, scarves, hats, swimwear, vests and underwear.” The statements made in that declaration were material to the approval of the application and issuance of Opposer’s registration.

10. Opposer had not used and was not using the ZANELLA & Design mark shown in Registration No. 1527003 in the United States for men’s mantles, blouses, waistcoats, socks, stockings, ties, scarves, hats, swimwear, or underwear at the time underlying Application Serial No. 73662076 was filed. Opposer knew or should have known that its statement that the mark was being used on such goods was false.

11. On or about August 31, 1995, Opposer filed a Declaration of Use and Incontestability under Sections 8 and 15 in which Opposer attested that the ZANELLA & Design mark shown in Registration No. 1527003 was being used and for five consecutive years had been continuously used for all the goods stated in the registration. The statements made in the Section 8 and 15 declaration were material to the prosecution and maintenance of Opposer’s registration.

12. Opposer was not using the ZANELLA & Design mark shown in Registration No. 1527003 in the United States for or in connection with men’s mantles, blouses, waistcoats, socks, stockings, ties, scarves, hats, swimwear or underwear at the time Opposer submitted its Declaration of Use and Incontestability. Opposer knew or should have known that its statement that the mark was being used on such goods was false.

13. Opposer had not continuously used the ZANELLA & Design mark shown in Registration No. 1527003 in the United States for five consecutive years for men’s mantles, blouses, waistcoats, socks, stockings, ties, scarves, hats, swimwear or underwear at the time Opposer submitted its Declaration of Use and Incontestability. Opposer knew or should

have known that its statement that the mark had been continuously used for five consecutive years on such goods was false.

14. Opposer has never used the ZANELLA & Design mark shown in Registration No. 1527003 in the United States for mantles, waistcoats, socks, stockings, ties, hats, swimwear, or underwear.

Registration No. 1990695

15. The ZANELLA mark shown in Opposer's U.S. Trademark Registration No. 1990695 ("Registration No. 1990695") has been registered for "women's clothing, namely shorts, skirts, dresses, blouses, pants, jackets, coats, vests, scarves, hats, swimwear, raincoats, socks and underwear" in International Class 25.

16. Application Serial No. 74548674, which issued as Registration No. 1990965, was filed on July 13, 1994 based on actual use in commerce under Section 1(a) of the Trademark Act. The registration issued for "women's clothing, namely shorts, skirts, dresses, blouses, pants, jackets, coats, vests, scarves, hats, swimwear, raincoats, socks and underwear" based on statements made in an amendment received in the United States Patent and Trademark Office on July 3, 1995 that the mark was being used on such goods. The statements made in the amendment to the application were material to the approval of the application and issuance of Opposer's registration.

17. Opposer had not used and was not using the ZANELLA mark shown in Registration No. 1990965 in the United States for women's scarves, hats, swimwear, socks, or underwear at the time the application was filed or at the time the July 3, 1995 amendment was received. Opposer knew or should have known that its statement that the mark was being used on such goods was false.

18. Opposer has never used the ZANELLA mark shown in Registration No. 1990965 in the United States for women's hats, swimwear, socks, or underwear.

Registration No. 1992385

19. The ZANELLA (Stylized) mark shown in Opposer's U.S. Trademark Registration No. 1992385 ("Registration No. 1992385") has been registered for "women's clothing, namely shorts, skirts, dresses, blouses, pants, jackets, coats, vests, [scarves, hats, swimwear,] raincoats, [socks, and underwear]" in International Class 25.

20. Application Serial No. 74548675, which issued as Registration No. 1992385, was filed on July 13, 1994 based on actual use in commerce under Section 1(a) of the Trademark Act. Registration issued for "women's clothing, namely shorts, skirts, dresses, blouses, pants, jackets, coats, vests, scarves, hats, swimwear, raincoats, socks and underwear" based on Opposer's assertion that use had occurred in connection with such goods through its amendment received in the United States Patent and Trademark Office on July 3, 1995. The statements made in the amendment to the application were material to the approval of the application and issuance of Opposer's registration.

21. Opposer had not used and was not using the ZANELLA (Stylized) mark shown in Registration No. 1992385 in the United States on or in connection with women's scarves, hats, swimwear, socks, or underwear at the time underlying Application Serial No. 74548675 was filed. Opposer knew or should have known that its statement that the mark was being used on such goods was false.

22. Opposer has never used the ZANELLA (Stylized) mark shown in Registration No. 1992385 in the United States for hats, swimwear, socks, or underwear.

Registration No. 2453062

23. The ZANELLA and Design mark shown in Opposer's U.S. Trademark Registration No. 2453062 ("Registration No. 2453062") has been registered for "women's and men's clothing, namely, shorts, skirts, blouses, pants, jackets, coats, vests, scarves, hats, swimwear, raincoats, socks, underwear, mantles, shirts, waistcoats, trousers, stockings and ties" in International Class 25.

24. Application Serial No. 76021021, which issued as Registration No. 2453062, was filed on April 11, 2000 based on actual use in commerce under Section 1(a) of the Trademark Act. Opposer submitted as part of and in connection with that application a declaration attesting to the truth of the statement that Opposer had adopted and was using the mark for "Women's and men's clothing, namely, shorts, skirts, blouses, pants, jackets, coats, vests, scarves, hats, swimwear, raincoats, socks, underwear, mantels [sic], shirts, waistcoats, trousers, stockings and ties" as of the application filing date. The statements made in that declaration were material to the approval of the application and issuance of Opposer's registration.

25. Opposer had not used and was not using the ZANELLA and Design mark shown in Registration No. 2453062 in the United States on or in connection with scarves, hats, swimwear, socks, underwear, mantles, waistcoats, stockings, or ties at the time underlying Application Serial No. 76021021 was filed. Opposer knew or should have known that its statement that the mark was being used on such goods was false.

26. Opposer has never used the ZANELLA and Design mark shown in Registration No. 2453062 in the United States for hats, swimwear, socks, underwear, mantles, waistcoats, stockings, or ties.

27. The ZANELLA Registrations should be cancelled for fraud and/or false representations to the United States Patent and Trademark Office that were material and resulted in and caused the ZANELLA Registrations to issue and remain in effect.

28. Applicant is harmed by the ZANELLA Registrations because, inter alia, they are being asserted by Opposer against Applicant's U.S. Trademark Application Serial No. 77025247 in this proceeding and delaying registration of the mark shown in that application.

PRAYER FOR RELIEF

WHEREFORE, Applicant requests judgment as follows:

1. Opposer's Notice of Opposition be dismissed and Applicant's mark allowed to proceed to registration;

2. Respondent's Registration No. 1519894 be cancelled in its entirety;

3. Respondent's Registration No. 1527003 be cancelled in its entirety;

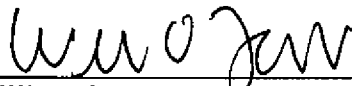
4. Respondent's Registration No. 1990695 be cancelled in its entirety;

5. Respondent's Registration No. 1992385 be cancelled in its entirety; and

6. Respondent's Registration No. 2453062 be cancelled in its entirety.

DATED this 15th day of January, 2008.

SEED IP Law Group PLLC



William O. Ferron, Jr.
Nathaniel E. Durrance
701 Fifth Avenue, Suite 5400
Seattle, Washington 98104
Telephone (206) 622-4900
Facsimile (206) 682-6031

Attorneys for Applicant
NORDSTROM, INC.

CERTIFICATE OF SERVICE

I, Annette Baca, hereby certify that the above **APPLICANT'S AMENDED ANSWER TO NOTICE OF OPPOSITION; AND COUNTERCLAIM FOR CANCELLATION** was served on Opposer's counsel by depositing same with the U.S. Postal Service, first-class postage prepaid, on January 15, 2008, addressed as follows:

Stuart E. Benson, Esq.
Michael H. Selter, Esq.
MANELLI DENISON & SELTER PLLC
2000 M Street, N.W., Suite 700
Washington, D.C. 20036



Annette Baca